

County Trends



Millard

March 2003

A Local Economic Perspective

Its About Time for Some Good News

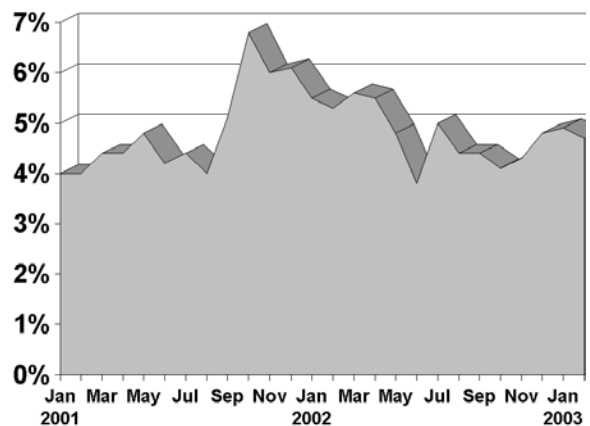
Despite years of poor economic performance, Millard County now appears as a bright spot on the Utah horizon.

Employment is Expanding

While Utah continued to suffer job losses, Millard County popped up with a 7-percent job gain during September 2002—the most current employment data available. The county lost employment through most of 2000 and 2001, but the outlook took a decided turn for the better during the third quarter of 2002 as employment growth rates virtually exploded. Between September 2001 and September 2002, the county generated a net employment gain of almost 250 jobs.

However, a substantial portion of these new positions were classified in heavy construction—jobs likely to disappear once projects are completed. But construction wasn't the only growth industry. The new cheese plant has helped spur employment gains. (The new NAICS coding structure places this plant in professional/business services rather than manufacturing.) The leisure and hospitality industry also generated a substantial number of new positions in recreation, lodging, and food services.

Seasonally Adjusted Millard County Unemployment Rates

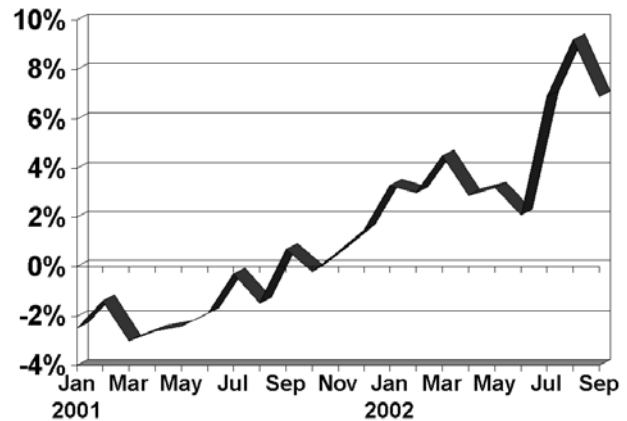


Source: Utah Department of Workforce Services.





Year-Over Change in Millard County Employment



Source: Utah Department of Workforce Services.

To the Point

Despite a faltering national economy, Millard County managed one of its best performances in recent years. Employment is expanding, joblessness is down and both construction and sales made strident gains.

Manufacturing and utilities also contributed new employment.

All wasn't rosy. Mining, trucking, and local government (which includes the school district) all showed employment declines. Yet, for once, the employment gains far outnumbered the employment losses.

(If you still aren't familiar with these new "NAICS" industry groupings, you aren't alone! Check out this website: <http://jobs.utah.gov/wi/Naics/dwsdefault.asp>)

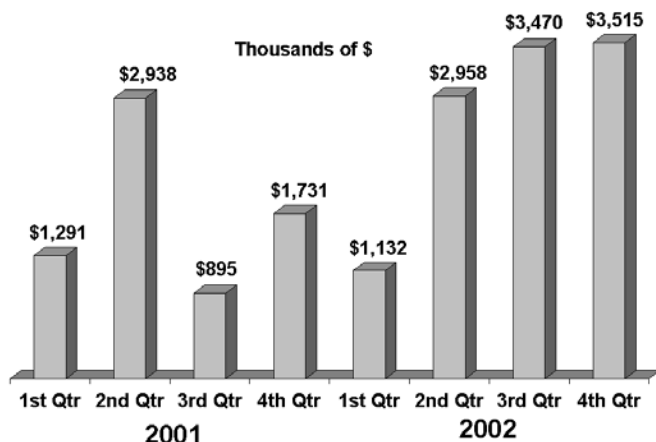
Not surprisingly, increased job growth has tempered unemployment in the county. The February 2003 jobless rate measured 4.7 percent—down substantially from its almost 7-percent peak in September 2002. Moreover, Millard County's unemployment rate measures below both the state and national averages.

Construction basically unchanged

Construction also ended the year in fine form. Both the third and fourth quarters construction permitting values more than doubled the comparable year-ago figures. These strong quarters helped push annual 2002 permit values up 62 percent.

Gains proved strongest in nonresidential activity where values jumped almost 150 percent. The permitting of a \$1.1 million public utility building and a \$1.9 million district school office played a noticeable role in this gain.

Total Millard County Approved Construction Values



Source: Utah Bureau of Economic & Business Research.

Home-building also expanded, but at a much slower rate. The number of permits was up only 7 percent between 2001 and 2002. Delta and the unincorporated portion of the county experienced the highest levels of house construction.

Sales Moderate

Sales performance rounded out the strong economic performance of Millard County. Following a dip into negative territory during the second quarter, gross taxable sales for the third quarter of 2002 were up almost 7 percent. Retail sales proved particularly strong with a 19-percent year-to-year increase. On the other hand, services sales dropped by 19 percent during the same time period.

The Road Ahead

War fears have seemed to derail a barely recovering national economy in recent months. A quick end war with Iraq would do much to prop-up consumer confidence and improve the national, state, and local economy. Otherwise, Millard County may face new economic challenges in the months ahead.

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Quick Facts

February 2003

Unemployment Rate

Millard County	4.7%
Utah	5.3%
U.S.	5.8%

Sept 2002 Change from Previous Year

Job Growth

Millard County	6.9%
Utah	-0.9%
U.S.	-0.7%

4th Qtr 2002 Change from Previous Year

Construction Values

Millard County	103.1%
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3rd Qtr 2002 Change from Previous Year

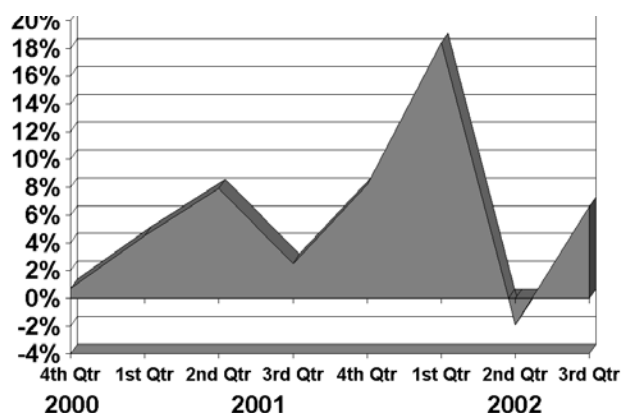
Sales

Millard County	6.6%
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Source: Utah Dept of Workforce Services,
 Bureau of Labor Statistics,
 Utah Tax Commission,
 Bureau of Econ & Business Research.

For more economic information about Millard County see:
<http://jobs.utah.gov/wi/regions/county.asp>

Year-Over Change in Millard County Gross Taxable Sales



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.

What's Up? ⁴

- The Intermountain Power Agency is continuing to work on plans to build a third power generation unit at its plant near Delta—a project that will take years to complete. The cost of producing electricity at IPP dipped to \$42.11 per megawatt-hour during 2002. The dollar amount is down from \$62 in 1996, thanks to various cost-saving measures. Most of the third unit's generation will likely be used by Utah municipalities. Participants in the third unit would be owners of the unit.

For more economic events, see:

<http://jobs.utah.gov/wi/Regions/western/millard/millardee.pdf>



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